

PEARL HARBOR

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. QUINN. Mr. Speaker, as all Americans prepare to celebrate the Memorial Day weekend, I think it is appropriate for all of us to take some time and reflect on the sacrifice that those men and women, past and present, who served our country have made. This weekend, the movie Pearl Harbor will open throughout the Nation. Once again, Americans of all ages will be reminded of this tragedy, as well as the bravery and courage our service men and women demonstrated.

President Franklin Roosevelt declared it, "A day that will live in infamy." In the pre-dawn hours of December 7, 1941, the United States Pacific Fleet was destroyed by a sneak attack of the Japanese Imperial Army. Nearly 2400 military and civilian lives were lost as a result of the surprise attack and more than 1000 were wounded. The attack forced the United States into World War II, and was the first time the United States had been directly attacked since the War of 1812. It is a moment that is forever frozen in our Nation's consciousness.

I have introduced a bill, H.R. 157, that would designate December 7th as a Federal holiday. This legislation would serve as not only a tribute to those men and women who served and lost their lives at Pearl Harbor, but also all those who defended and fought for our Nation during World War II.

This week, Congress gave final approval to the much-anticipated World War II Memorial on the Mall, and this would be a fitting companion.

I hope all Members will join me in celebrating the memory and sacrifice of these brave Americans by co-sponsoring H.R. 157.

CELEBRATING REVEREND
CHARLES W. SPRINKLE**HON. CHARLES H. TAYLOR**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. TAYLOR of North Carolina. Mr. Speaker, today I rise to commend and celebrate the life and Golden Anniversary Celebration for Reverend Charles W. Sprinkle who has pastored Gladly Baptist Church in Candler, North Carolina for fifty years.

Reverend Sprinkle was born and reared in Madison County, North Carolina, son and grandson of pastors. He was the sixth child of fourteen, five of whom are also pastors. Following his graduation from Marshall High School, Reverend Sprinkle completed a tour of duty with the Navy.

He was called to preach in October 1950. New Morgan Hill Baptist Church licensed Reverend Sprinkle on June 20, 1951 and ordained him on July 29, 1951. In May 1951, he was asked by Gladly Baptist Church to preach and asked to be their pastor in June of the same year, fully a half a century ago. Reverend Sprinkle remains at Gladly Baptist today.

Pastor Sprinkle says that he received his training with his head buried in the Bible while

on his knees. During his half-century ministry, five young men have been called to preach under his stewardship. Referring to these men as "my boys in the gospel," he is very proud of the great work they are doing for the Lord.

As the Gladly Baptist congregation grew, it became necessary to build a new church building in the early 1970s. Due to Pastor Sprinkle's leadership the new brick church they use today was completely paid for in just one year.

In the past fifty years, Pastor Sprinkle has conducted 102 revivals, performed 98 weddings and 361 funerals. Throughout the joys and sorrows, Pastor Sprinkle notes, "I have seen good times and I have seen hard times, but God's grace was always with us. What a great God we serve!"

Reverend Sprinkle credits much of the success of his ministry to his wife, Lois, a faithful teammate for sixty years.

Mr. Speaker, I know that all of my colleagues in the House of Representatives join me in praising Reverend Charles W. Sprinkle for his fifty years of service to Gladly Baptist Church and the Lord.

DOMESTIC SPIRITS TAX EQUITY
ACT**HON. MAC COLLINS**

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. COLLINS. Mr. Speaker, today I am introducing a bill, along with my colleague, Representative RICHARD NEAL, to end the unequal tax treatment imposed on U.S. produced distilled spirits. At a time when other countries adopt tax laws to favor their own domestic industries, it is ironic that current U.S. tax law favors foreign products at the expense of U.S.-made products. Regrettably, that is the case with respect to distilled spirits. As members of the Committee on Ways & Means, both Mr. NEAL and I have worked for sometime to correct this inequitable situation.

Current law allows wholesalers of imported spirits to defer the federal excise tax ("FET") on such products until they are removed from a custom bonded warehouse for sale to a retailer. In contrast, the FET on U.S. produced spirits is paid "up front" by the distiller, and passed along to the wholesaler when he purchases product. Custom bonded warehouses cannot be used for domestic product, only that imported from another country. This means that the FET on U.S. produced spirits must be carried by the wholesaler as part of his inventory for as long as it takes to sell that product out of his warehouse.

Couple this disparity in time of payment with the fact that distilled spirits are the most highly taxed of all products, and you begin to understand the seriousness of the problem. At \$13.50 per proof gallon, the FET represents virtually 40 percent of the average wholesaler's inventory cost. To make matters worse, it takes an average of 60 days to sell this inventory to a retailer. The bottom line is that U.S. tax policy favors the sale of imported spirits and creates a significant financial burden for wholesalers of domestic spirits—most of which are small, family-owned businesses operating within a single state.

For the past ten years, the wholesale tier of the licensed beverage industry has advocated

a tax law policy change known as "All-in-Bond." Mr. NEAL and I sponsored the Distilled Spirits Tax Simplification Act, or "All-in-Bond bill", at the beginning of the 106th Congress. Simply put, it would have extended the custom bonded warehouse concept to all spirits, not just imported product. The result would have been to defer payment of the tax on domestic product—just as we do for imported spirits—until it is removed from the warehouse for sale to a retailer.

Given the obvious inequity of current law, the bill attracted the co-sponsorship of 75 of our colleagues from both sides of the aisle. As a consequence, Mr. NEAL and I were successful in attaching the bill to a major tax reduction measure coming out of the Committee on Ways & Means in 1999, which was subsequently approved by this body.

Subsequently, Treasury/BATF raised unwarranted concerns about changing the point of collection. Additionally, distilled spirits suppliers objected because of concerns about a revenue offset provision which was added to the "All-in-Bond" proposal during committee consideration.

In an effort to build a greater consensus, we agreed to drop the provision in conference and go back to the drawing board to develop a better solution to the problem.

The "Domestic Spirits Tax Equity Act" is that better solution.

The purpose of this legislation is to compensate wholesalers for the unequal burden imposed on U.S.-produced distilled spirits under current law. We do so by allowing qualified wholesalers of domestic spirits a prepaid tax adjustment, or "PTA" which is a credit against their annual federal income tax.

The PTA is determined through a simple formula. It is equal to 40 percent of the amount paid for domestically produced spirits, times the IRS' applicable federal rate over a 60-day period. The PTA was crafted with simplicity in mind. The elements of the formula are easily verifiable and understandable by the wholesaler and the IRS, and the formula results in an accurate overall measure of the unequal float costs. In addition, unlike the "All-in-Bond" proposal, this bill does not change the current FET collection system.

Mr. Speaker, I urge my colleagues to join me in this effort to eliminate the unequal tax treatment imposed on U.S. produced distilled spirits. The PTA is a simple and targeted solution, which addresses the problem. I look forward to the passage of this important legislation so that we can ensure our domestic suppliers are not penalized by the tax code.

HONORING THE CAREER OF JERRY
BAXTER**HON. SCOTT MCINNIS**

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. MCINNIS. Mr. Speaker, I would like to take a moment to honor a man that has spent much of his life improving the quality of life for others. Mr. Jerry Baxter has spent the last 27 years of his life entertaining the guests at the Bar D Chuckwagon in Durango, Colorado. This year, in the Bar D's 33rd season, Jerry has announced that he will be leaving for a job as a wrangler in Jackson, Wyoming. As he